



"When a fellow says it ain't about the money but the principle of the thing, it's about the money."

- Kin Hubbard (American Humorist & Writer)

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Developmental Disabilities Newsletter

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U.S. HHS Secretary Michael Leavitt



Michael O. Leavitt was sworn in as the 20th Secretary of the U.S.

Department of Health & Human Services on January 26, 2005. Prior to his current ser-

vice, Secretary Leavitt served as Administrator of the U.S. Environmental Protection Agency and Governor of Utah. While at the E.P.A., Leavitt signed the Clean Air Diesel Rule, implemented new, more -protective quality standards for ozone and fine particle pollution and organized a regional collaboration of national significance to clean and protect the Great Lakes.

The people of Utah elected Secretary Leavitt governor three times. Born February 11, 1951, in Cedar City, Utah, Secretary Leavitt graduated with a bachelor's degree in economics and business from Southern Utah University. Secretary Leavitt is married to Jacalyn S. Leavitt; they are the parents of five children.

Taken From: HHS Website

Financial Management Issue

This issue contains information about the financial management of Federal awarded grants. If you have any questions or concerns regarding the information contained in this newsletter, please contact your State Program Specialist.

Additional Financial Management information can be found at the Region VI Administration for Children & Families Website located at:

http://www.acf.hhs.gov/programs/region6/program_info/fm.html

Office of Management & Budget (OMB) Circulars

What Are They?

OMB Circulars are information or instructions issued by the Office of Management and Budget (OMB), which has the mission to assist the President in overseeing the preparation of the Federal budget and to supervise its administration in Executive Branch agencies. In addition, OMB oversees and coordinates the Administration's procurement, financial management, information and regulatory policies.

Please find a partial listing of OMB Circulars below:

OMB Circular A-21 Cost Principles for Educational Institutions
Revised 5/10/2004

OMB Circular A-87 Cost Principles for State, Local & Indian Tribal Governments
Revised 5/10/2004

OMB Circular A-102 Grants & Cooperative Agreements w/State & Local Govt's
Revised 8/29/1997

OMB Circular A-122 Cost Principles for Non-Profit Organizations
Revised 5/10/2004

OMB Circular A-133 Audits of States, Local Govt's and Non-Profits
Revised 6/27/2003

OMB Circulars can be found and downloaded at: <http://www.whitehouse.gov/omb/circulars>.



Looking for Frequently Used Financial Forms?

The Administration for Children & Families' Office of Financial Services provides information on expenditures by States for public programs, grants/funding opportunities and financial audits performed by both independent and Federal staff.

The Office's website contains frequently used Financial Reports, including:

- Grant Application Forms
Application for Federal Assistance [SF-424]
- Certifications
Lobbying; Drug-Free Workplace; Environmental Tobacco Smoke, etc.
- Disclosures
Disclosures of Lobbying Activities

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HHS Approves Connecticut Plan

On January 19, 2005 former HHS Secretary, Tommy G. Thompson, approved a Connecticut demonstration plan to make it easier for individuals with disabilities to remain in their own homes by giving them greater control over a broad array of Medicaid services.

The Connecticut plan will allow people to play an essential role in deciding how to plan, obtain and sustain community-based services for themselves. The waiver will provide services that include personal care, supported employment, group day services, vehicle modification, transportation, specialized medical equipment, companion services and family training. Participating individuals will be able to select and direct their personal assistants as well as manage many other services for themselves. The state hopes to serve over 3,000 people in this demonstration.



*Taken From: HHS Press Release
January 19, 2005*

Grants Terms and Conditions

Terms and Conditions of grants are special, specific requirements that accompany the acceptance of the Federal grant award. The Terms and Conditions of the grant are always included with the first grant award as an attachment. By accepting the award, grantees are committing to operate according to the Terms and Conditions.



Examples of some of the terms and conditions included with the Protection & Advocacy grant include:

- The expenditure of funds under this program is subject to the annual audit requirements under the Single Audit Act of 1984 (P.L. 98-502) and the Office of Management and Budget Circular A-133.
- In accordance with P.L. 101-510, grant funds must be drawn down within 5 years from the year in which the funds were awarded, i.e., FY 2005 funds must be drawn down no later than 9/30/2010. Requests for adjustments/revisions to the Payment Management account after that date will not be honored.

It is important that grantees are aware of the Terms and Conditions of their grant. If you have any questions, you should contact your Regional Office Financial Management Specialist.

New Medicare Preventive Benefit

January 10, 2005 new Medicare preventive benefits became available designed to provide seniors with better care and a higher quality of life. As of January 1, 2005 people with Medicare coverage can take advantage of three important new Medicare benefits: a one-time "Welcome to Medicare" physical exam, cardiovascular screening, and diabetes screening.

New Medicare beneficiaries now have the "Welcome to Medicare" physical exam, coupled with an increasingly broad set of preventive benefits that will include prescription drug coverage next year. These provide people with Medicare greater access to more prevention-focused benefits than ever before. The services are key features of the Medicare Modernization Act (MMA), signed into law in December 2003.

In addition to the physical and other benefits added in recent years, Medicare's comprehensive set of preventative benefits includes screening services for the following:

- Heart disease and diabetes;
- Weak bones and glaucoma; and
- Cancers of the colon, breast, cervix, and prostate

Fifty-six percent of Americans 50 and older do not get screening tests that can detect colon cancer at an early, treatable stage, despite the fact that Medicare covers such tests. When colon cancer is caught early, survival rates are over 90 percent.

Medicare also recently announced its intention to cover smoking cessation counseling for beneficiaries who have smoking-related diseases.

*Taken From: HHS News Release
January 10, 2005*

Wheel Chairs and Scooters—New Coverage Criteria

The U.S. Centers for Medicare & Medicaid Services (CMS) released draft coverage criteria for power wheelchairs and scooters on February 3, 2005. CMS' proposed coverage criteria would rely on clinical guidance for evaluating whether a beneficiary needs a device to assist with mobility and if so, what type of device is needed. This new approach would replace an older, more rigid standard that relied on whether a patient was 'nonambulatory' or "bed or chair confined".

CMS plans to publish the final guidance in March and to provide information on how to use and, document the new criteria.

*Taken From: CMS News Release
February 3, 2005*

Code of Federal Regulations: What Are They?

Code of Federal Regulations (CFR) is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the Federal Government. It is divided into 50 titles that represent broad areas subject to Federal regulation. Each volume of the CFR is updated once each calendar year and issuance of these updates is staggered on a quarterly basis.

- * Titles 1-16 are updated as of January 1st
- * Titles 17-27 are updated as of April 1st
- * Titles 28-41 are updated as of July 1st
- * Titles 42-50 are updated as of October 1st

Each title is divided into chapters, which usually bear the name of the issuing agency. Each chapter is further subdivided into parts that cover specific regulatory areas. Large parts may be subdivided into subparts. All parts are organized in sections, and most citations in the CFR are provided at the section level.

For programs administered by the Administration for Children & Families (ACF) the primary CFR is Title 45 (Public Welfare). Copies of 45 CFR can be found at: <http://www.gpoaccess.gov/cfr/index.html>.

Specific Chapters of note are:

45 CFR Sub-Chapter A; Part 92

Uniform Requirements for Grants and Cooperative Agreements to State, Local, and Tribal Governments.

45 CFR Sub-Chapter A; Part 74

Uniform Administrative Requirements for awards to and Sub-awards to Institutions of Higher Education, Hospitals, Other Non-Profit Organizations, and Commercial Organizations.

45 CFR Sub-Chapter I, Part 1385*

Requirements Applicable to the Developmental Disabilities Program

45 CFR Sub-Chapter I, Part 1386*

Formal Grant Programs

45 CFR Sub-Chapter I; Part 1387*

Projects of National Significance

45 CFR Sub-Chapter I; Part 1388*

The University Affiliated Programs

Native American Initiative Announced

@ Native American Initiative was announced on February 10, 2005 to strengthen American Indians and tribal governments through donations from private sector and Fortune 500 firms.

The Native American Initiative is a collaboration between the Administration on Native Americans (ANA), and Gifts In Kind International, the world's leading charity in product philanthropy and the third largest charity in the United States.

ANA serves as the lead agency in the Initiative by providing information to tribes, tribal colleges and nonprofit Native American organizations about Gifts In Kind and its programs. ANA is coordinating outreach to Native American communities that are interested in accessing resources.

The goals of the Native American Initiative are to:

- Increase communication through an information network to provide better service delivery of charitable donations to Native American communities; and
- Encourage development of Native American reservation-based distribution centers to ensure that charitable contributions reach those most in need.

For additional information about the Native American Initiative, contact ANA at: www.acf.hhs.gov/programs/ana and go to the Native American Initiative, or call toll-free at 877-922-9262,



*Taken From: HHS Press Release
February 10, 2005*

Co-Occurring Disorders

@ new Treatment Improvement Protocol (TIP) was released on January 31, 2005, by the Substance Abuse and Mental Health Services Administration (SAMHSA) which estimates that 50-75 percent of patients in substance abuse treatment programs have co-occurring mental illness, while 20-50 percent of those treated in mental health settings have co-occurring substance abuse. Most people with co-occurring disorders do not receive treatment for both mental disorders and substance abuse. Many receive no treatment of any kind.

SAMHSA's 2003 National Survey on Drug Use and Health shows 27.3 percent of persons 18 and older (in the past year) with serious mental illness used an illicit drug. In 2003, the survey also found that 5.7 million persons ages 18 and older with serious mental illness engaged in binge alcohol use and 1.9 million were heavy drinkers. Overall, the survey showed that about 4.2 million adults aged 18 and older met the medical criteria for both substance abuse and mental illness.

The Protocol is designed for substance abuse treatment counselors and mental health providers who usually treat one or the other of the two ailments, but it will also be useful for administrators, primary care providers, criminal justice staff and other health care and social service personnel who work with people with co-occurring disorders.

*Taken From: SAMHSA News Release
January 31, 2005*

\$100 Million to States for Energy Aid

HHS Secretary Mike Leavitt announced on January 31, 2005 that an additional \$100 million in emergency funds will be provided to states, territories, and tribes from the Low Income Home Energy Assistance Program (LIHEAP).

The funds will provide states with extra assistance, over and above the \$1.6 billion states have received this heating season and \$100 million in emergency funds last December, to help low-income families pay their heating bills.

The \$100 million announcement uses contingency funds made available by the FY 2005 omnibus appropriations bill. Each year LIHEAP aids more than 4.5 million low-income families pay the costs of heating their homes in the winter and cooling their homes in the summer.

The funding levels for Region VI states are below:

| | | | |
|------------|-------------|-----------|-----------|
| Arkansas | \$817,631 | Louisiana | \$600,587 |
| New Mexico | \$424,918 | Oklahoma | \$600,847 |
| Texas | \$1,667,995 | | |

*Taken From: HHS News
January 31, 2005*

The Region VI Developmental Disabilities Team thanks the State Councils and State PGA Systems for the timely submittal of Program Performance Reports and Statements of Goals & Priorities!

Looking For Frequently Used Financial Forms?

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- Assurances
Constructions Programs, etc.
- Reporting Forms
Financial Status Report (Long Form); Federal Cash Transaction Report; Request for Advance Reimbursement

More information found at the Office of Financial Services website located at: <http://www.acf.hhs.gov/programs/ofs/forms.htm>.

HHS Reallocates SCHIP Funds

A redistribution of \$643 million dollars in unspent State Children's Health Insurance Program (SCHIP) funds will be undertaken in order to help states avoid funding shortfalls in 2005.

States have three years to spend each year's SCHIP allotment. In previous years, Congress has allowed a portion of funds left unspent to be redistributed to states that have exhausted their money. This year, the unspent 2002 funds will be redistributed to states that demonstrated the need for additional SCHIP funds.

In all, 28 states will be getting supplemental funds under today's announcement. Without the redistribution, five of the states, including Arizona, Minnesota, Mississippi, New Jersey and Rhode Island, would have run out of Federal funding for their SCHIP programs.

Funds in the reallocation were available to states on January 19, 2005. All states administer a SCHIP program which is intended to provide health care coverage to otherwise uninsured children whose families earn too much for traditional Medicaid, but not enough to afford employer-sponsored or private sector policies. Currently, some 5.8 million children are enrolled in SCHIP.

More information can be found at www.cms.hhs.gov/schip.

*Taken From: HHS Press Release
January 19, 2005*

On-Line Data Collection (OLDC) System

The On-Line Data Collection System (OLDC) is a system which will allow for the on-line transmittal of Financial reports. There are several advantages to electronic reporting through the OLDC System:

1. It will be unnecessary for grantees to prepare and submit paper financial reports or transmittal memos;
2. Reports will be received on the day they are submitted by both Headquarters and the responsible Region;
3. Where it is possible for a Grants Officer to approve an action electronically, no paper record will be required; and,
4. Grantees can submit electronic adjustments up to the end of the quarter when a report is due. Adjustments submitted after the end of the quarter can be included in the next quarterly report.

Stay tuned for more information on the OLDC.

The Region VI Developmental Disabilities Newsletter is
issued 6 times a year by the
Region VI Administration for Children and Families

Look for the next Newsletter May 2005

2005 Region VI DD Institute

The Region VI ACF DD Team is planning to host the 2005 DD Institute in the Fall of 2005. Please stay tuned for more details.

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